

UNITED STATES OF AMERICA

IN THE WESTERN DISTRICT OF MICHIGAN – SOUTHERN DIVISION

Derek Antol, individually and as next friend of
DSAIL, a minor, and Devon S. Antol, and Tryston Antol,
Plaintiffs,

File No: 1:17-cv-613

v.

Adam Dent, Kate Straus,
Casey Bringedahl, Casey Trucks,
Pete Kutches, and Western Michigan
Enforcement Team, a public
body organized under the laws of the
State of Michigan,
Defendants,

Hon. Janet T. Neff
U.S. District Court Judge

**PLAINTIFFS' OPPOSITION TO MOTION FOR SUMMARY JUDGMENT BY
DEFENDANTS DENT, STRAUS, BRINGEDAHL, AND KUTCHES**

Attachment 1 – deposition of Treasury Agent Greg Parolini

GREG PAROLINI
4/30/2015

<p style="text-align: right;">Page 1</p> <p style="text-align: center;">STATE OF MICHIGAN IN THE CIRCUIT COURT FOR THE COUNTY OF MUSKEGON</p> <p>PEOPLE OF THE STATE OF MICHIGAN</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v Case No. 14-49626-CF</p> <p>\$1,160.00 IN U.S. CURRENCY, et al, Defendant, SAMANTHA CONKLIN, Claimant.</p> <p style="text-align: center;">7</p> <p>DEPOSITION OF TREASURY AGENT GREG PAROLINI Taken by the Claimant on the 30th day of April, 2015, at the offices of Kevin Wistrom, 1 E. Apple, Muskegon, Michigan, at 1:34 p.m.</p> <p>APPEARANCES: For the Plaintiff: MR. CHARLES F. JUSTIAN (P35428) Senior Assistant Prosecutor 990 Terrace Street, 5th Floor Muskegon, MI 49442 (231) 724-6435 For the Defendant: MR. J. NICHOLAS BOSTIC (P40653) 909 N. Washington Ave. Lansing, MI 48906 (517) 706-0132</p> <p>Also Present: Mr. Kevin J. Wistrom</p> <p>RECORDED BY: Denise L. Jamba, CER 0786 Certified Electronic Recorder</p>	<p style="text-align: right;">Page 3</p> <p>1 Muskegon, Michigan</p> <p>2 Thursday, April 30, 2015 - 1:34 p.m.</p> <p>3 GREG PAROLINI</p> <p>4 HAVING BEEN CALLED BY THE DEFENDANT AND SWORN:</p> <p>5 MR. BOSTIC: Would you state your full name for</p> <p>6 the record, please?</p> <p>7 THE WITNESS: Sure. It's Greg, G-r-e-g, last,</p> <p>8 Parolini, P-a-r-o-l-i-n-i.</p> <p>9 MR. BOSTIC: Is it Gregory?</p> <p>10 THE WITNESS: Well, legally it is, yes.</p> <p>11 MR. BOSTIC: Okay. And your middle name?</p> <p>12 THE WITNESS: Alan, A-l-a-n.</p> <p>13 MR. BOSTIC: Sir, my name is Nick Bostic and I</p> <p>14 represent Samantha Conklin in 14-49626-CF and Derek Antol in</p> <p>15 14-49627, 14-49628, and 14-49638, all CF, which are</p> <p>16 forfeiture actions in the 14th Circuit Court. Today is the</p> <p>17 time and date for your deposition, to be used for all</p> <p>18 purposes as allowed by the Michigan Rules of Evidence and</p> <p>19 the Michigan Rules of Civil Procedure.</p> <p>20 Have you ever testified in a deposition before?</p> <p>21 THE WITNESS: Yes.</p> <p>22 MR. BOSTIC: And have you had occasion to testify</p> <p>23 in court?</p> <p>24 THE WITNESS: Yes, I have.</p> <p>25 MR. BOSTIC: Are you a certified law enforcement</p>
<p style="text-align: right;">Page 2</p> <p style="text-align: center;">TABLE OF CONTENTS PAGE</p> <p>1 GREG PAROLINI:</p> <p>2 Direct Examination by Mr. Bostic 4</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8 EXHIBITS: IDENTIFIED</p> <p>9 DX-1 - Do Not Enter Sign 29</p> <p>10 DX-2 - Restricted Area Sign 30</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 4</p> <p>1 officer?</p> <p>2 THE WITNESS: Not anymore, no.</p> <p>3 MR. BOSTIC: The same rules essentially as</p> <p>4 testifying in court. She is taking a recorded version, but</p> <p>5 she will eventually have to prepare a transcript, so she</p> <p>6 needs audible answers instead of head shakes and things of</p> <p>7 that nature.</p> <p>8 THE WITNESS: Yes.</p> <p>9 MR. BOSTIC: Because this is a discovery</p> <p>10 deposition, sometimes my questions are not as structured as</p> <p>11 they would be in court, which usually just leads to a bad</p> <p>12 question. So if, for any reason, you don't understand the</p> <p>13 question, please let me know 'cause I'm just -- I'm just</p> <p>14 here to learn.</p> <p>15 THE WITNESS: Okay.</p> <p>16 MR. BOSTIC: But if you answer a question, I will</p> <p>17 assume you understood it, fair enough?</p> <p>18 THE WITNESS: Yes, indeed.</p> <p>19 DIRECT EXAMINATION</p> <p>20 BY MR. BOSTIC:</p> <p>21 Q Tell me about your formal education.</p> <p>22 A I have a Bachelor of Arts degree. That was after having an</p> <p>23 Associate of Science degree in criminal justice first and</p> <p>24 then a Bachelor of Arts degree after that.</p> <p>25 Q In criminal justice?</p>

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<p>1 A Yes.</p> <p>2 Q Any post-graduate education?</p> <p>3 A No.</p> <p>4 Q And when did you get your Bachelor of Arts degree?</p> <p>5 A In 2001.</p> <p>6 Q Okay. When did you graduate high school?</p> <p>7 A 1977.</p> <p>8 Q And what was your employment out of high school?</p> <p>9 A For the first three years, United States Army.</p> <p>10 Q Then what?</p> <p>11 A Then I was in college for two years or so and then I went to</p> <p>12 work at the Michigan State University Department of Public</p> <p>13 Safety.</p> <p>14 Q Where did you go to police academy?</p> <p>15 A Marquette, Michigan, Northern Michigan University.</p> <p>16 Q Were you sponsored or put yourself through?</p> <p>17 A I put myself through.</p> <p>18 Q Was that as part of your two-year curriculum?</p> <p>19 A After.</p> <p>20 Q Was it one of the regional academies?</p> <p>21 A Yes, regional -- regional police academy.</p> <p>22 Q And when did you finish that?</p> <p>23 A The academy?</p> <p>24 Q Yes.</p> <p>25 A It was 1983, from May until July.</p>	<p>1 Q And after 18 years in the Detective Bureau, did you retire?</p> <p>2 A Yes.</p> <p>3 Q And when -- so what year are we talking about now?</p> <p>4 A I retired effective January 1st of 2013.</p> <p>5 Q Where did you get your Bachelor's from?</p> <p>6 A Through Western Michigan University.</p> <p>7 Q After retiring in January, 2013, did you work in any other</p> <p>8 law enforcement position?</p> <p>9 A No, I did not.</p> <p>10 Q During any time in your law enforcement career, were you</p> <p>11 ever disciplined?</p> <p>12 A No.</p> <p>13 Q You had military service. Did you ever have a court martial</p> <p>14 or an Article 15?</p> <p>15 A No, sir.</p> <p>16 Q Have you ever been diagnosed with mental illness?</p> <p>17 A No.</p> <p>18 Q Have you ever been arrested?</p> <p>19 A No.</p> <p>20 Q What is your current employment?</p> <p>21 A Michigan Department of Treasury.</p> <p>22 Q What capacity?</p> <p>23 A As a field agent for the Tobacco Enforcement Unit.</p> <p>24 Q How many agents are in the Tobacco Enforcement Unit?</p> <p>25 A Five.</p>
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<p>1 Q So at that point, you are eligible to be certified as a law</p> <p>2 enforcement officer?</p> <p>3 A Yes.</p> <p>4 Q When was your first sworn position?</p> <p>5 A 1983, in August with MSU campus police. I was there for</p> <p>6 four years.</p> <p>7 Q Had you already pre-arranged with them for being hired?</p> <p>8 A No.</p> <p>9 Q Did you apply while you were in academy?</p> <p>10 A They -- the Director of Public Safety had actually contacted</p> <p>11 the academy and asked for a name who may be interested in</p> <p>12 coming to work for them and my name was given to them, so I</p> <p>13 started -- I started the interview process.</p> <p>14 Q Okay. And so you leave MSU Public Safety approximately some</p> <p>15 time in '87?</p> <p>16 A August of 1987, yes.</p> <p>17 Q And where did you go?</p> <p>18 A Kent County Sheriff's Department.</p> <p>19 Q And what were your duties there?</p> <p>20 A The first seven years was on patrol duty and the next 18 was</p> <p>21 primarily within the Detective Bureau. I worked a variety</p> <p>22 of assignments.</p> <p>23 Q Why did you leave MSU?</p> <p>24 A Just for a little bit broader law enforcement career. It</p> <p>25 was pretty limited, a campus.</p>	<p>1 Q Does any of the funding of your unit depend upon your</p> <p>2 enforcement efforts?</p> <p>3 A Yes.</p> <p>4 Q How?</p> <p>5 A Well, there -- there has to be an established enforcement</p> <p>6 unit for the -- the funding that comes from the tobacco</p> <p>7 manufacturers that gets distributed through the state.</p> <p>8 Q Explain that to me if you can.</p> <p>9 A Well, part -- part of what they call the master settlement</p> <p>10 agreement between the states and the tobacco manufacturers</p> <p>11 is that for certain amount of funds, and I forget exactly</p> <p>12 how much it is that comes into the state each year, part of</p> <p>13 the agreement that was made is that the states, and all the</p> <p>14 states are involved in the master settlement agreement, have</p> <p>15 to have an enforcement effort to ensure that the -- to</p> <p>16 ensure that the best interest of the tobacco industry is</p> <p>17 being looked out by the state. By that, I mean as far as</p> <p>18 making sure that there isn't any fraudulent activity</p> <p>19 occurring with tobacco products, that the tobacco products</p> <p>20 that are in the state are actually received here legally</p> <p>21 from a manufacturer -- a licensed manufacturer.</p> <p>22 Q Smuggling, counterfeit, those kinds of things?</p> <p>23 A Yeah, smuggling, counterfeiting, any type of -- of illicit,</p> <p>24 I guess, tobacco products coming into -- into the country --</p> <p>25 actually into the state here of Michigan.</p>

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<p style="text-align: right;">Page 9</p> <p>1 Q Okay. All right. So did some of the states opt out of that 2 master settlement? 3 A I don't know. 4 Q Okay. So we have a master settlement agreement from the 5 manufacturers that were part of it to the states. A portion 6 of that funding is contingent upon there being an 7 enforcement unit? 8 A Yes. 9 Q To protect the interest of the manufacturers? 10 A Yes. 11 Q And generally but primarily for smuggling and counterfeit 12 cigarettes? 13 A Correct. Yes. 14 Q Or -- or cigars or whatever? 15 A Any type of tobacco products, correct. Yeah. 16 Q Any -- is there any other way that your -- the funding for 17 your unit is contingent upon your enforcement efforts? 18 A Not to my knowledge. 19 Q I direct your attention to July 9 of 2014 and the location 20 of 885 East Apple Avenue. Do those two things have a 21 connection for you? 22 A Yes. 23 Q Prior to July 9, 2014, had you had any communication about 24 the business at that location with Detective Adam Dent? 25 A No, sir.</p>	<p style="text-align: right;">Page 11</p> <p>1 A I was contacted by Mr. Justian. 2 Q Okay. The -- the attachment - there's an attachment, the 3 last page, required you to bring some things with you to the 4 deposition today. 5 A Yes. 6 Q Did you bring anything? 7 A I was made aware of this. 8 Q Okay. 9 A I did not bring anything, no. 10 Q Well, based upon your answer a moment ago, it sounds like 11 you've already answered Number 1 anyway, correct? 12 A Correct. 13 Q And then Number 2 is essentially the same question but a 14 different time frame. Are there any other communications - 15 e-mails, texts, as -- as indicated there, where you have 16 communicated directly with Detective Dent or any member of 17 WEMET concerning these forfeiture cases? 18 A No, there isn't. 19 Q Well, what about the investigation at 885 East Apple, in 20 general? 21 A Not with WEMET, no, or with anybody from WEMET. 22 Q Who have you communicated with about your investigation? 23 A With Sergeant Schmitz from the MSP Tobacco Unit. 24 Q And what information did you provide to him? 25 A Well, it was basically -- beforehand it was basically</p>
<p style="text-align: right;">Page 10</p> <p>1 Q What about with any member of the Western Michigan 2 Enforcement Team? 3 A No, not at all. 4 Q What about with Sergeant Schmitz from the MSP District Team? 5 A Yes, I had. 6 Q Speaking of the MSP District Team, -- 7 A Yeah. 8 Q -- is -- is -- some of this contingent money from the master 9 settlement agreement, does that flow over into their team 10 funding, as well? 11 A Yes. 12 Q Okay. 'Cause he had mentioned something about -- about that 13 and I -- I wasn't clear on the source, so -- 14 A It's actually an initiative through the Treasury Department 15 and then the state police are there to basically assist us. 16 It's written, whatever, under the Tobacco Act that they're 17 in a position to do that. 18 Q We may have to go back and ask him if -- to confirm that, 19 but I -- I'm suspicious that that's what he's referring to. 20 Do you recall receiving your notices of deposition in this 21 case? Did you get written notice of the -- 22 A No. 23 Q -- depositions? 24 A No. 25 Q How did you know to be here today?</p>	<p style="text-align: right;">Page 12</p> <p>1 setting up a date and time to go do the inspection and 2 afterwards it was communication as far as the property that 3 was seized and the value, etcetera. It was just pretty much 4 basic that we do on most inspections that we would have. 5 Q Okay. Do you recall at some point after July 9th, 2014, 6 getting a letter from me? 7 A Yes. 8 Q Asking -- do you recall what the -- the content of the 9 letter was? 10 A No, I don't. 11 Q Do you recall me asking you as to whether or not you 12 intended to take any enforcement action based upon the 13 seizure? 14 A I don't recall that. 15 Q Do you recall whether or not you responded to my letter? 16 A The -- whatever information that I had received from you or 17 your office, I was in contact with my supervisor to 18 determine whether -- what type of response there was going 19 to be and everything was forwarded to him so that he could 20 speak with the Attorney General's office or whomever he had 21 to -- to talk with to determine what kind of a response 22 was -- was to be made, and, so, therefore, I made no direct 23 contact or response to him. 24 Q Okay. So you get my letter and you -- you discuss whether 25 you're going to respond with your supervisor?</p>

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<p style="text-align: right;">Page 13</p> <p>1 A No, I discussed what -- in which manner a response should be 2 and whether it should come from me or through someone else. 3 Q And who did you have that discussion with? 4 A His first name is Steve. The last name is spelled S-c-h-a- 5 u-b, Schaub. 6 Q And what did he tell you he was going to do? 7 A He was going to run it up his chain of command and make a 8 determination, someone was going to make a determination on 9 that. 10 Q Did he tell you to not respond? 11 A He told me to not respond until they could make some sort of 12 a determination on what the response was going to be. 13 Q Did he ever get back with you after that? 14 A I -- I don't recall. I don't know. 15 Q But can you safely say that you never responded? 16 A I never responded. 17 Q Do you recall what the approximate value was of the tobacco 18 products that you seized on July 9, 2014? 19 A I don't and I don't have my report with me. I believe it 20 should be in the report. 21 Q I was unable to find your report, but I did find those. If 22 you would, take a look at those, please. Do you recognize 23 those three documents? 24 A Yes. One is the -- the notice of seizure and inventory 25 statement of property received form that I completed, and</p>	<p style="text-align: right;">Page 15</p> <p>1 Q And there is a way to have the cigar wraps properly stamped 2 and taxed and everything, right? 3 A Well, they're not -- they're not stamped. They'd be 4 property tax if they came through a licensed distributor. 5 Q When you -- how often is it that you find these wraps that 6 have -- have come in and been acquired like through an 7 Internet purchase or something where the -- the business 8 person didn't realize they -- they fell under the Tobacco 9 Tax Act? 10 A Well, it's -- it's -- 11 MR. JUSTIAN: Objection, unless he can tell you 12 that he knows that they were not aware of the Tobacco Tax 13 Act. I think that he wouldn't know one way or the other 14 whether or not they knew that they were in violation of the 15 law. 16 BY MR. BOSTIC: 17 Q You can go ahead and answer if you can. 18 A I'm sorry, repeat the question again. 19 Q Is it -- is it fairly common that you run into these cigar 20 wraps at least where they've been ordered over the Internet 21 the proprietor didn't realize that they were -- they fell 22 under the definitions in the Tobacco Tax Act? 23 A Well, compared to the number of establishments that are 24 doing it legally, it's not common. 25 Q Okay.</p>
<p style="text-align: right;">Page 14</p> <p>1 the other two items -- the other two sheets are the seized 2 product inventory sheets listing the tobacco products that 3 were seized from the business. 4 Q Do you agree that you did not seize any cigarettes? 5 A Correct, we did not seize any cigarettes. 6 Q What did you seize? 7 A It was several types of Shisha, which is a Hookah tobacco, 8 and some cigar wraps. 9 Q Would you spell that name you said for us? 10 A Shisha? 11 Q Yes. 12 A S-h-i-s-h-a. 13 Q Okay. 14 A Shisha is just basically what -- we call it Hookah tobacco, 15 but it's actually called Shisha. 16 Q Okay. How many inspections like this do you think you do on 17 average in a week? 18 A Well, it varies but on average six -- six to eight. 19 Q The types of things that you found here, is that common or 20 uncommon in your experience? 21 A The cigar wraps are more common than the -- than the Hookah 22 tobacco is. I mean Hookah tobacco is -- not every business 23 sells it. It's pretty much of a specialized type of tobacco 24 product where the cigar wraps are at most grocery stores, 25 gas stations, etcetera.</p>	<p style="text-align: right;">Page 16</p> <p>1 A It's a much lower number. It's just based on -- on number 2 basically. 3 Q But I mean of the ones where they don't have the proper 4 stamps and -- and documents, is that the kind of reason that 5 you're sometimes given? 6 A That they weren't aware? 7 Q That they -- they've ordered it over the Internet, for 8 example, or something and they didn't realize that it fell 9 within the definitions. 10 A That is the most common response to that, yes. 11 Q When you were there on July 9, 2014, were you able to -- was 12 Mr. Antol able to provide you with any documentations or 13 packing slips or anything about the source of the cigar 14 wraps or the Hookah tobacco? 15 A He was not able to provide anything, any documentation. 16 Q Did he tell you anything about how he acquired them? 17 A No, he did not. 18 Q Did you ask him? 19 A Yes. 20 Q Okay. What was his answer? 21 A He refused to give me any information as far as the 22 acquisition of the tobacco. Actually, he refused to 23 identify himself, so I wasn't really sure who I was talking 24 with. I was under an assumption, but... 25 Q Was that over the phone?</p>

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<p style="text-align: right;">Page 17</p> <p>1 A No, it was in person. 2 Q Okay. That was after he arrived? 3 A Yes. Yeah. 4 Q Based upon what you've seen there on those documents, -- 5 A Um-hum. 6 Q -- does that hopefully refresh your memory as to the 7 approximate value that you came up with for the seized 8 items? 9 A Well, I mean I would just -- it's based on the wholesale 10 value, not on -- on retail, so -- 11 Q That was going to be my next question. 12 A Yeah. So I guess based -- based on the wholesale value - I 13 was looking at the numbers of -- of packages that we have, 14 you know, I would -- I would probably think in the \$400 15 range. 16 Q Okay. As you sit here today, can you tell us did you submit 17 this to any prosecuting agency for action? 18 A I don't -- I don't follow that course. I'm not in a 19 position to do that. That's what the state police would do. 20 So I don't -- I don't have any -- any authority to -- to do 21 the criminal route. I only look at this from a taxation 22 standpoint. 23 Q Okay. But the Tobacco Products Tax Act, when -- when 24 someone is in possession of these things, is it -- do you 25 agree that the remedies are broken down by the wholesale</p>	<p style="text-align: right;">Page 19</p> <p>1 through the tax tribunal, etcetera. 2 Q And do you load that information into the system? 3 A I do not. 4 Q How does it get loaded into the system for collections? 5 A A tech assistant from the Tobacco Unit would do that, would 6 enter into the system. 7 Q Somebody that works in your unit? 8 A Yes. 9 Q Did that happen in this case? 10 A I'm not sure. I don't know. 11 Q Do you -- would you characterize it as unusual that Mr. 12 Antol has not received a notice of assessment? 13 A Yes, it would be unusual. 14 Q Did you tell anyone to not load it in the system? 15 A I did not, no. I did not tell anybody not to load it into 16 the system. 17 Q Did you specifically tell anybody to do it? 18 A No, I didn't. 19 Q Once you turn it in, what's -- I mean do you have to monitor 20 it to make sure that it gets done or is it something that 21 you just assume gets done? 22 A No, my supervisor -- this packet, which would have this -- a 23 copy of this -- these forms that you -- you've given to me, 24 would -- and my report would be given to my supervisor, she 25 would then assign it to one of the tech assistants to enter</p>
<p style="text-align: right;">Page 18</p> <p>1 value -- the total wholesale value of what is seized? 2 A Yes. 3 Q And are -- what are the remedies then just on your side of 4 things? 5 A On my side, it's -- it's whatever tax should have been 6 remitted had the proper -- had the tobacco gone through the 7 normal course of distribution. That's what they would -- an 8 assessment would be. They'd get the bill for that based on 9 that, on -- on the wholesale value and the penalty. 10 Q Okay. Yeah. That was going to be next question. 11 A Okay. 12 Q So you -- you calculate the tax? 13 A Yes. 14 Q And then I think the penalties are actually written in the 15 statute, aren't they? 16 A Yes, 500 -- 500 percent of the wholesale value. 17 Q Okay. And then if you make a determination that you're 18 going to make that assessment, how is it done? How do you 19 go about notifying the person that you seize the property 20 from, "Hey, you owe us this much money?" 21 A The -- the collections division of the treasury unit has a 22 system set up whereby this information would be basically 23 uploaded to that and a letter is sent out with a bill, and 24 then there's also appeal information on that, too, kind of 25 how, if they disagree with it, that they can have -- go</p>	<p style="text-align: right;">Page 20</p> <p>1 it. Now, I -- I don't know how there's -- if there's any 2 followup after that to determine whether or not it was 3 actually entered. That's all done over in Lansing. I don't 4 work out of that office, so I -- I don't know. 5 Q Now, earlier you mentioned you discussed this with a 6 supervisor -- or the response to my letter anyway with a 7 supervisor named Steve Schaub? 8 A Yes. 9 Q That's S-c-h-a-u-b? 10 A Yes. 11 Q But you just mentioned a female supervisor. 12 A Correct. 13 Q Who's that? 14 A Alicia, A-l-i-c-i-a -- it's A-l-i-c-i-a is her first name, 15 Alicia. Last name is Nordmann, N-o-r-d-m-a-n-n. 16 Q And did she replace Mr. Schaub? 17 A No. Alicia Nordmann is my immediate supervisor and Steve 18 Schaub is Alicia Nordmann's supervisor. 19 Q All right. So tell me about your communication with 20 Sergeant Schmitz in deciding how and when you're going to 21 end up at 885 East Apple. 22 A Well, this -- this was -- this location, Deuces -- Deuces 23 Wild, was on -- I create a list of -- of businesses to -- to 24 go to to do inspections on kind of like geographically. I 25 may go to Holland one day or Muskegon a day or two, so I've</p>

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<p>1 got kind of a large area in West Michigan to handle. I had 2 been in the Muskegon area several weeks or so before this 3 July 9th and had driven by this business, Deuces Wild Smoke 4 Shop, noticed it was on my list. When I looked at it, I saw 5 how -- the size of the building. It was quite -- quite a 6 large building, so it was one that I wasn't even going to 7 try to go in by myself. I didn't know what I was going to 8 find in there, if it was a lot of tobacco, a lot of -- in 9 storage. It would just take me forever to do an inventory 10 on it with the invoices, so that's -- that's when I usually 11 will enlist the help of the state police team. They have 12 four members here at the West Michigan team to -- to assist 13 me. So when I -- my research shows it could be a really 14 large amount of tobacco, basically that's when I'll enlist 15 their help. 16 Q So you just went by the -- the simple fact that the outside 17 dimensions of the building gave you concern over the -- 18 the -- the challenge of the inventory task? 19 A Well, yeah, the fact that it's a smoke shop and with a large 20 building, I mean just -- I just -- you just never know. I 21 mean if it's -- if it's a little corner grocery store, I can 22 usually tell any -- I've been in enough of them that 23 whatever tobacco, it's right behind the counter and it 24 doesn't really take a whole lot. One or two people can do 25 it in a short time. But with a building that size and with</p>	<p>1 A Very similar to how I am now with just a pair of Dockers or 2 khakis and usually a button-down shirt. 3 Q Do you have any credentials or identification or a badge? 4 A I have an identification, a state -- my State of Michigan 5 I.D. card I usually wear on a lanyard around my neck. 6 Q Were you wearing it around your neck on this day? 7 A I don't recall. 8 Q How was Sergeant Schmitz dressed? 9 A Plain clothes. He was, yeah, not in uniform. 10 Q What about the two officers with him? 11 A All plain clothes. 12 Q Did you all walk in together? 13 A Yes. 14 Q Who walked in first? 15 A Don't recall. 16 Q Did the -- any of the three members of the state police have 17 their credentials out and visible? 18 A I don't recall. 19 Q Of the four of you, who identified -- who made contact with 20 any employee first? 21 A I believe I did. 22 Q Who did you have contact with? 23 A With a female, Samantha. 24 Q Where in the building? 25 A In the main retail area of the store by the counter.</p>
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<p>1 it being a smoke shop, which is a specialty store, I'm not 2 going to -- I didn't think I was going to find groceries in 3 there and dog food and such, so with -- again putting that 4 together, I just figure I better just do it safe and make 5 sure I have enough people in there instead of having to go 6 in, being overwhelmed, and then having to come back. It 7 kind of defeats the purpose of a surprise inspection. 8 Q Do you work in plain clothes? 9 A Yes. 10 Q Did you ever consider just walking in, buy a T-shirt or 11 whatever and -- or just look around so you could get an idea 12 of the challenge? 13 A No, only because I mean if it's -- if there's a warehouse, 14 if there's a storage area, I really can't see what -- what's 15 in there and I -- I -- so no, I don't -- I don't even 16 consider doing that. I just go in at one time and do an 17 inspection. 18 Q So you coordinate with Sergeant Schmitz and mutually agree 19 on a time and date, correct? 20 A Yes. 21 Q And do you all meet there or do you meet somewhere else and 22 then drive over there? 23 A We -- we met there. Yeah, we met there 'cause we all pretty 24 much drove separately. 25 Q How were you dressed when you arrived?</p>	<p>1 Q At this point, what kind of things are you observing? 2 A Just kind of looking around just to see what type of 3 products they have. I saw a lot of pipes and clothing, I 4 believe it was, and then usually the tobacco is kept behind 5 the actual counter area and -- I mean for security purposes, 6 and in this case, it was. I did see some -- some cigar 7 wraps -- some smaller boxes of cigar wraps behind the 8 counter. 9 Q What did you tell Ms. Conklin? 10 A Well, I have a business card that -- that I always provide 11 to the -- to the clerk or to the manager, whoever's at -- 12 who's responsible for -- for the store to identify who I am. 13 And normally I would -- I would identify who the other 14 people I'm with from the state police, and they may have 15 done it at this time. I don't -- I don't really -- really 16 know how that would have happened. But just explain to 17 Samantha what this is about, what this entails, why we're 18 here and what kind of documentation that we need. 19 Q Did you then have an opportunity to look around in the 20 retail area? 21 A Yes. 22 Q Did she cooperate with that? 23 A She was -- she was a bit -- a bit antagonistic and 24 defensive, I think just from us being -- or at least from 25 me, I should say, I don't want to say about us but at least</p>

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<p>1 from me being in -- in the building. I mean what we could 2 see -- what we could see is what we were standing and 3 looking at, and -- and again I -- I immediately asked for 4 identification. I gave her my identification and I asked 5 for hers and she said it was in the back room in a -- in a 6 purse. 7 Q When you say you gave her your identification, did you give 8 her the business card and your state I.D.? 9 A I don't recall. I know the business card for sure that I 10 put on -- on the counter. 11 Q In your current job, do you have a badge? 12 A Yes. 13 Q Did you have that with you? 14 A I'm sure I did, yes. 15 Q Is it on your lanyard that you wear around your neck? 16 A No, it's in a wallet. 17 Q Did you then go behind the counter and -- and look at the 18 cigar wraps that you saw? 19 A Not immediately I didn't, no. 20 Q How did that transpire? 21 A Well, when I asked for identification and she said it was in 22 the back, a separate room in the back of the business, she 23 said she'd go back and get it, and I said, "Well, I'll come 24 with you." I don't want somebody just kind of wandering 25 off. I followed her back towards the back section to an</p>	<p>1 Q Is that section not limited to wholesalers? 2 A I don't believe it is, no. 3 Q No? 4 A No. 5 Q Does a retailer have to have a license under the Tobacco Tax 6 Act? 7 A No. 8 Q Just the sales tax license, right? 9 A Just the sales tax license. 10 Q And is the -- is the authority to search not limited also to 11 licensees under the Tobacco Tax Act? 12 A Just to licensees? 13 Q Yes. 14 A No, to anybody who has tobacco products, including 15 retailers. 16 Q Any other basis that you think gave you the authority to go 17 into the back over her objection? 18 A No, I only -- I only work under the -- the TPTA. That's 19 the only authorization I have. 20 Q Any interpretations of that act or anything that you were 21 relying on? 22 A No, just the act itself. 23 Q What led you to think that there might be tobacco products 24 in that back area of the building? 25 A Well, I -- I didn't know if there was. And actually my --</p>
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<p>1 area where the -- kind of around a little partition and 2 that's when she stopped and said I couldn't go any further 3 than that. So I had left -- I had left the main counter 4 area at that point in time. 5 Q Okay. And then what happened? 6 A Then I -- she said I couldn't -- I couldn't come back there. 7 I told her, I said, "Well, the Tobacco Products Tax Act 8 allows me to look throughout the entire building for tobacco 9 products, including storage areas, closets." I said, "If 10 this is back here, this is part of the building, I am 11 allowed to come back here." And at that point, one or two 12 of the state police troopers that were with me had kind of 13 wandered over that way and kind of heard the conversation of 14 Samantha not allowing me into this back area, the door was 15 closed, and that's when they -- one of them -- both of them 16 got involved with the conversation then, the troopers got 17 involved. 18 Q And what part of the Tobacco Tax Act do you think allows you 19 to go into any part of the building? 20 A The inspection section, I'm not really sure what number it 21 is, indicates that we can look at all locations within the 22 building, any kind of place where any tobacco products could 23 be stored. 24 Q Is that -- 25 A It's very specific.</p>	<p>1 my -- my first impression was that -- was to get her 2 identification, and she was going to an unknown area and I 3 just wasn't going to allow that to happen. 4 Q Why were you not going to allow her to go into an unknown 5 area? 6 A To get her identification card? 'Cause I don't know what's 7 back there. I don't know -- for my own safety, I wasn't 8 going to let somebody just wander around to an area who was 9 already aggravated with us -- with me being there. I don't 10 know what -- what kind of response she was going to have. 11 Q Well, you had three armed troopers with you, correct? 12 A I did. 13 Q Were you armed? 14 A I was not. 15 Q Tell me then about the conversation that went on between Ms. 16 Conklin and, like you said, perhaps two of the three 17 troopers. 18 A Back by this -- the back area of the door? 19 Q Yes. 20 A Yeah, she wouldn't -- wouldn't allow -- and when the 21 troopers came up, they -- one or both of them had said the 22 same thing, that they're allowed to go back into this area 23 by virtue of the inspection, and she wasn't going to allow 24 them either, and at that point one of the troopers had taken 25 his handcuffs out from -- I don't know where he had them</p>

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<p style="text-align: right;">Page 29</p> <p>1 stored and kind of lifted them up and showed Samantha the 2 handcuffs and said, "Well, you need to do what you're 3 supposed to do," or, "You need to allow us back there or 4 this is -- you could be under arrest," or -- or something of 5 that. 6 Q So you heard one of these troopers threaten to arrest her if 7 she didn't comply? 8 A Yes. 9 Q And then what happened? 10 A She -- Samantha then opened the door and -- opened the door 11 and started walking down this hallway into this area and we 12 followed behind her. 13 Q Was the door locked? 14 A I don't believe it was locked. I don't remember her pulling 15 out any kind of a key or anything. 16 Q Okay. 17 (At 1:13 p.m., Defendant's Exhibit No. 1 marked by 18 court reporter) 19 BY MR. BOSTIC: 20 Q I'm showing you what's been marked as Deposition Exhibit 1. 21 Do you recognize that? 22 A No, I don't. 23 Q You don't recall seeing that by that door behind that 24 partition? 25 A I do not.</p>	<p style="text-align: right;">Page 31</p> <p>1 care giver card, maybe four or five of her patients' cards, 2 and set those on the table, and I took the -- the driver's 3 license, that's the only thing I was interested in, and I 4 left that area and went back into the -- to the retail area 5 of the store with just the driver's license. The other 6 cards and such were still on a desk or a table in that back 7 area. 8 Q Did she and the troopers come out of that area with you or 9 did they stay back there out of your sight? 10 A They stayed back there. Yeah, I was the only one that left 11 that -- that area at that point. 12 Q And then you -- did you go then behind the counter and 13 finish what you were there to do? 14 A Yes. Yeah, by the time I got back up to the main retail 15 area, one of the troopers was still out in that -- the main 16 retail area. I met up with him and he found some other, I 17 think it was, that Hookah tobacco in another section behind 18 the counter. And we didn't have any invoices for it, so we 19 just started to -- to inventory it in case we happened on 20 having to seize. We kind of got ahead of ourselves and 21 started inventorying it. 22 Q What do you mean you got ahead of yourself? 23 A Well, the -- the -- apparently Samantha was going to call 24 the owner, Derek. And at that point in time -- sometimes 25 when the owner gets there, they all of a sudden know where</p>
<p style="text-align: right;">Page 30</p> <p>1 (At 1:14 p.m., Defendant's Exhibit No. 2 marked by 2 court reporter) 3 BY MR. BOSTIC: 4 Q I'm showing you what's been marked as Deposition Exhibit No. 5 2. Do you recognize that at all? 6 A I do not. 7 Q You don't recall seeing that one by the door either? 8 A I don't. 9 Q So you and two of the troopers go into the back with Ms. 10 Conklin, correct? 11 A Correct. 12 Q What do you see? 13 A Well, there were several doors along the right-hand side 14 that were closed and then we -- there was maybe about a 10 15 or 15-foot walk down the -- this hallway to -- to the end 16 where there's kind of an open area and I could smell what 17 seemed like processed marijuana and I could see several jars 18 of some green leafy material which I believed to be 19 marijuana processed. 20 Q Did Ms. Conklin eventually then get to her purse and give 21 you her identification? 22 A Yes. 23 Q And then what happened after that? 24 A She produced her -- her driver's license or Michigan I.D. 25 card, I forget which, along with -- along with I believe a</p>	<p style="text-align: right;">Page 32</p> <p>1 the invoices are or whatever, and we thought, well, if -- if 2 that happens, then we'll just tear these sheets up, these 3 inventory sheets, and we're good. 4 Q Okay. And did you have any more communication on July 9th 5 with Ms. Conklin? 6 A Outside of -- of -- 7 Q Well, when you left the area, she was still back there with 8 the troopers? 9 A Um-hum. Yes. 10 Q Did you have -- did you have any more direct communication 11 with her that day? 12 A Yes, I did. 13 Q And tell me about that. 14 A Well, once -- once Derek had -- had arrived and we were able 15 to determine that there were no invoices, I think at some 16 point in time there was a phone conversation between one of 17 the troopers and Derek and it seems to me that Derek had 18 told me all the invoices or packing slips are shredded or -- 19 or thrown away and that there -- there just won't be any. 20 So at that point in time, we felt pretty -- pretty good that 21 this -- there's no way to substantiate these tobacco 22 products, so we're going to have to seize it. So my next 23 contact with Samantha would have been with those forms you 24 previously showed me, the seizure forms, the inventory forms 25 and the -- the appeal forms. I -- I had -- I put those in</p>

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<p>1 her name 'cause she had identification. She was the only 2 employee that I knew that I had identification, so that's 3 why I dealt with her on that and supplied her with a copy 4 of -- of the -- the seizure form, as well as the inventory 5 sheets, the notice of seizure form and the two sheets 6 outlining the -- the inventory of the products that were 7 seized. 8 Q Did you say that -- that you received word through one of 9 the troopers that Mr. Antol said he shreds the invoices or 10 the packing slips? 11 A I'm quite sure that's what -- yeah. 12 Q So that's how you got information about the status of the 13 products? 14 A Initially, yes. But again that was -- that was a phone call 15 that I think it was Sergeant Schmitz had with Derek. And 16 somehow the information came out to us that, no, there are 17 none. I think he said, "I just spoke with Derek. He said 18 there's no invoices. They're destroyed or shredded or 19 something." 20 Q And then was there a point in time where Mr. Antol showed up 21 while you were still there? 22 A Yes. 23 Q And did you have direct communication with Mr. Antol? 24 A I did, yes. 25 Q Tell me about that.</p>	<p>1 Q -- Samantha. Do you know how that happened? 2 A One was on the driver's license and as I started copying it 3 down, she said, "Well, that's not the correct address. My 4 real address is I believe this top one here, 423 Farr Road." 5 Q Okay. 6 A But the Montgomery one would be the one that was on her -- 7 oh, license number, so it'd be her driver's license then. 8 Q If your agency -- well, not your agency, but if the 9 collections' folks in Treasury sent her a notice of 10 assessment to the Montgomery address and it came back, what 11 would happen? 12 A Well, they would -- they would -- they would assess the 13 owner of the property. The assessment would go to the -- to 14 the owner of the property, not to who it was actually seized 15 from 'cause a lot of times it's just -- you know, we -- 16 there could be just a clerk at like a gas station -- 17 Q Okay. 18 A -- and the owner wouldn't be there, but we'd find out who 19 the actual owner of the business was who's responsible. 20 We're not going to hold, you know, the clerk responsible for 21 it. 22 Q So you think the notice would have been sent to 885 East 23 Apple? 24 A Yes. 25 Q I mean the assessment.</p>
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<p>1 A Well, he came in and I -- Samantha had said she was calling 2 Derek. When he came in, he kind of came in behind the 3 counter, this person, again, still not knowing who it was 4 but assuming it was Derek Antol, the owner or one of the 5 owners of the store, and again identified who I am, why -- 6 why I was here, what I was doing, again asked him if he knew 7 where the invoices were, and I really got zero cooperation 8 from him about who he was, why he was there, any paperwork 9 and such, so I just continued on filling out the inventory 10 sheet. 11 Q 'Cause you had already been told via a third party that he 12 shreds them? 13 A Correct. 14 Q Had you ever met Derek Antol prior to July 9, 2014? 15 A No. 16 Q What about Samantha Conklin? 17 A No, neither. 18 Q Had you ever worked with Adam Dent from WEMET before? 19 A No, I had not. 20 Q I'm going to ask you to take a look at your inventory -- 21 A Um-hum. 22 Q -- I mean, I'm sorry, your notice of seizure. 23 A Yes. 24 Q You have two addresses here for -- 25 A Yes.</p>	<p>1 A I would assume. That's the only address that -- that we 2 have down for him unless the state police had a different 3 one, but they really wouldn't have been involved in that 4 assessment unless somebody from Treasury contacted the state 5 police. So then I don't know. 6 Q Okay. So how did your involvement there on 885 East Apple 7 wrap up on July 9, 2014? 8 A Well, once -- once the -- all the tobacco products were 9 inventoried, boxed, those forms were signed and given to 10 Samantha, it was I think shortly before that is when 11 Sergeant Schmitz said that WEMET was on their way or 12 whatever, they had been contacted, they were on their way or 13 one of them's coming or whatever. I really didn't pay a lot 14 of attention to that part. We got everything boxed up and I 15 pretty much just stayed there 'cause Derek was there and 16 Samantha was there. And then the -- I think the WEMET -- 17 several members of the WEMET drug team arrived and I think 18 maybe one or two uniformed officers. I don't know if it was 19 from the state police or Muskegon Township or Sheriff, but a 20 couple uniformed officers came. There was conversation 21 between Derek and what he said was -- was an attorney over 22 the phone, and I couldn't obviously hear that. There was -- 23 we were just -- I was basically just waiting there, just 24 standing there until we figured we were all going to leave. 25 And then I understand that there was a search warrant that</p>

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<p style="text-align: right;">Page 37</p> <p>1 was going -- going to come into play here. And Derek said</p> <p>2 to me -- looked at me and said, well, why am I -- why am I</p> <p>3 still here, meaning me. He said, "Your job is done. You</p> <p>4 don't need to be here anymore. This is now a police matter.</p> <p>5 The tobacco's done, so you can leave." So I did. So I</p> <p>6 left.</p> <p>7 Q You had your own ride, so you didn't need to stay with --</p> <p>8 A Correct.</p> <p>9 Q -- Schmitz or his fellows, right?</p> <p>10 A Correct.</p> <p>11 Q Okay.</p> <p>12 A And I -- I had all the tobacco. It was my inspection. They</p> <p>13 were -- the state police were assisting me, so I had all the</p> <p>14 tobacco, I had the paperwork, so, yeah, my job, my</p> <p>15 responsibilities were done and I left.</p> <p>16 Q Did you see Mr. Wistrom arrive at any point?</p> <p>17 A I don't recall.</p> <p>18 Q Okay.</p> <p>19 A I don't know.</p> <p>20 Q How long do you think you were there?</p> <p>21 A Probably an hour, hour and a half, --</p> <p>22 Q Okay.</p> <p>23 A -- I would think.</p> <p>24 Q Were you aware of the -- the development, so to speak, where</p> <p>25 Samantha and Derek demanded that everyone, all the law</p>	<p style="text-align: right;">Page 39</p> <p>1 inspect an entire building when you -- when you have a</p> <p>2 really obvious multi-use?</p> <p>3 A Well, quite often I've been in gas stations like that.</p> <p>4 There's one -- one common storage area is what I -- what I</p> <p>5 have found. We'll follow the manager back and say, "Is</p> <p>6 there any other tobacco products stored in this building?"</p> <p>7 and she'll lead us back to a storage area where we'll find</p> <p>8 tobacco products, we'll find boxes of food products.</p> <p>9 They're all in one basically a storeroom such, so that's --</p> <p>10 that's where we'll go, to that -- to the storeroom. I don't</p> <p>11 recall ever having been to, well, there's a separate</p> <p>12 storeroom for the Subway, a separate storeroom for this.</p> <p>13 The ones that I'm familiar with that I recall is that it's</p> <p>14 been a central storage room.</p> <p>15 Q Let's say you have a McDonald's. Would you inspect the --</p> <p>16 with a gas station and a convenience store that sells</p> <p>17 tobacco. Would you inspect the cooking area, the manager's</p> <p>18 office, the cooler, things of that nature on the McDonald's</p> <p>19 side?</p> <p>20 A I'm trying to think. I don't think we've ever been -- I</p> <p>21 don't know if I've ever been in a situation specifically</p> <p>22 like that with a McDonald's. You know, I would really kind</p> <p>23 of -- I would really rely on the manager who was there and,</p> <p>24 you know, basically where -- where is the storage area --</p> <p>25 areas here, and they would bring us to the storage areas.</p>
<p style="text-align: right;">Page 38</p> <p>1 enforcement people leave the building?</p> <p>2 A I did hear that, yes.</p> <p>3 Q And then the law enforcement people said, "Okay, but we're</p> <p>4 all going to step outside"?</p> <p>5 A Yes.</p> <p>6 Q And that's what happened?</p> <p>7 A Yes.</p> <p>8 Q Okay. Were you there when Detective Dent arrived?</p> <p>9 A I don't really know him. I don't know.</p> <p>10 Q Okay. And that would have concluded your involvement at 885</p> <p>11 East Apple?</p> <p>12 A Yes. Once -- once we all left the building and the parking</p> <p>13 lot, I pretty much said, "Nothing for me to do here," and I</p> <p>14 left.</p> <p>15 Q And have you had any reason to have any telephone or written</p> <p>16 communication with Mr. Antol since?</p> <p>17 A No.</p> <p>18 Q You're familiar with a commercial building that has a multi-</p> <p>19 use? And when I say that, I'm talking about the trend that</p> <p>20 we see lately where we'll have a gas station that has a</p> <p>21 convenience store in it --</p> <p>22 A Yes.</p> <p>23 Q -- and a fast food joint under the same roof.</p> <p>24 A Yes, I'm familiar with that.</p> <p>25 Q How do you deal with that in terms of your authority to</p>	<p style="text-align: right;">Page 40</p> <p>1 Q Would you think that the ability to search under the Tobacco</p> <p>2 Tax Products Act would allow you to go over and insist on</p> <p>3 inspecting the manager's office on the fast food side?</p> <p>4 A Yes.</p> <p>5 Q Even if they're two obviously different businesses?</p> <p>6 A Well, it's -- it's in the same -- same structure and -- I</p> <p>7 mean if it's -- if it's an open area. If it's two</p> <p>8 separate -- two separate walls, specifically separate</p> <p>9 businesses that I have separate names and separate addresses</p> <p>10 and they're walled off, that would be individual</p> <p>11 inspections. But, you know, in the -- and I'm thinking of a</p> <p>12 gas station/Subway that -- that's quite familiar. It's an</p> <p>13 open area, so you just walk from one to another. It's --</p> <p>14 it's that one business, one address on it.</p> <p>15 Q I mean sometimes they may have a cage that they drop down at</p> <p>16 night through the archway or whatever, but --</p> <p>17 A Yeah, maybe --</p> <p>18 Q -- during business hours, it's going to be wide open?</p> <p>19 A It's going to be open and that's when we do it, during</p> <p>20 normal business hours, yeah.</p> <p>21 MR. BOSTIC: I don't have any other questions.</p> <p>22 MR. JUSTIAN: No questions.</p> <p>23 (At 2:28 p.m., deposition concluded)</p> <p>24 ***</p> <p>25</p>

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I certify that this transcript, consisting of 41 pages, is a complete, true, and correct record of the testimony of Greg Parolini held in this case on April 30, 2015.

I also certify that prior to taking this deposition, Greg Parolini was duly sworn to tell the truth.

May 1, 2015

Denise L. Jambor
Certified Electronic Recorder



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